

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEALS OF VICTORIA) APPEAL NOS. 07-A-2447
HANSEN WOOLLEY from the decisions of the) THRU 07-A-2450
Board of Equalization of Bannock County for tax) FINAL DECISION
year 2007.) AND ORDER

VACANT LAND APPEALS

THESE MATTERS came on for hearing November 2, 2007, in Pocatello, Idaho before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs participated in this decision. Appellant Victoria Hansen Woolley appeared at hearing. Appraiser Jefferson Hunt appeared for Respondent Bannock County. This appeal is taken from four (4) decisions of the Bannock County Board of Equalization (BOE) denying the protests of the valuation for taxing purposes of properties described as Parcel Nos. RRTMR009500, RRTMR008000, RRTMR007300, and RRTMR006800.

The issue on appeal is the market value of four (4) vacant lots.

The decisions of the Bannock County Board of Equalization are affirmed.

FINDINGS OF FACT

Appellant requests a value of \$2,420 for each subject lot.

Parcel No. RRTMR009500

The assessed land value on this 2.9 acre vacant lot is \$2,904.

Parcel No. RRTMR008000

The assessed land value on this 3.2 acre vacant lot is \$2,904.

Parcel No. RRTMR007300

The assessed land value on this 3.4 acre vacant lot is \$2,904.

Parcel No. RRTMR006800

The assessed land value on this 2.2 acre vacant lot is \$2,904.

The subject lots are located in Thunder Mountain Ranch Recreational Subdivision, south of Lava Hot Springs City. The subdivision is comprised of roughly 330 lots, a small number of which have limited improvements attached, such as cabins. The prevailing use in the subdivision is camping and other such recreational activities.

Appellant argued the major value determinants for lots in the subdivision are: proximity to the main subdivision entrance, distance to the main power line, whether the lot has trees, and whether the lot has valley views. Appellant noted only lots located near the main road have direct access to power. The owners of lots located off this road are required to bear the financial burden of connecting to the main power line. Subjects are located some distance from the main entrance with neither trees nor power. The properties do, however, enjoy views of the valley.

While Appellant requested value reductions for the subject lots, the primary remedy sought in this appeal concerned the valuation practices of Bannock County. To this point, Appellant referred to the 2006 assessments of subjects. After receiving assessment notices, Appellant contacted the Assessor's office and spoke with the appraiser who valued subjects. The discussion led to reductions in subjects' 2006 values from \$3,000 to \$2,240 each. Appellant believed this process of "negotiating" assessed values to be arbitrary and capricious, resulting in discrimination against taxpayers who do not call the Assessor's office to discuss their assessments. As such, Appellant requested this Board order Bannock County to adopt written appraisal methods and publish them on the County's website so all owners in the subdivision would be aware of the process.

A study of sales from within subjects' subdivision was conducted. Respondent was surprised to learn distance from the power line and main road had minimal or no effect on value. The information indicated the dominant value component was with location within the subdivision.

Lots located on the east side of the subdivision commanded the highest sale prices. Respondent inferred this was due to tree cover and better views. Lots located in the West and North areas had few or no trees and sold for less. Subjects are located in the North portion of the subdivision so were valued in line with similarly situated lots.

Respondent specifically referred to five (5) sales from within the subdivision that occurred during 2006. The prices ranged between \$5,300 and \$16,000. Location and lot sizes were not immediately apparent in the record. The three (3) year sale price range, which included more sales, was between \$2,500 and \$30,000. Respondent noted subjects were assessed near the bottom of the price range.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Appellant stated the primary reason for appealing to this Board was to challenge the appraisal methods of Bannock County. Specifically, Appellant contended it was unlawful for taxpayers to be able to contact the Assessor's office to "negotiate" down assessed values. Appellant further asked this Board to compel Bannock County to establish a written appraisal methodology and publish it on the county's website so everyone would have access to such information.

This Board does not have the authority to dictate how the Bannock County Assessor's office operates.

In all appeals brought under Section 63-511, Idaho Code, in which the appellant appeals only the value or exempt status established by

the board of equalization upon either the land or the improvements on the land, *the Board shall have jurisdiction to determine the value or exempt status when one (1) or the other is appealed.* The Board shall have the power to increase or decrease the value of property in market value appeals regardless of which party appealed. If the Board finds that a property classification is in error, it shall determine the correct classification. IDAPA 36.01.01.135. (Emphasis added)

This appeal comes from four (4) decisions of the Bannock County BOE concerning the market values of the subject parcels. Our jurisdiction rests solely on whether the BOE's determinations of subjects' values are erroneous.

Furthermore, the legislature has tasked the Idaho State Tax Commission with promulgating rules concerning assessment methods. Idaho Code § 63-205(1) in pertinent provides;

All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes. . . *Market value for assessment purposes shall be determined according to the requirements of this title or the rules promulgated by the state tax commission.* (Emphasis added).

Idaho Code § 63-201(10) defines market value:

"Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing sell, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant argued subjects' lack of electrical power and distance from the main road should result in lower values. No specific market or value evidence was presented.

Respondent referenced a sales study recently conducted in subjects' subdivision. It was learned that location within the subdivision was the most important value determinant, not distance from the main road or power line. As such, lots were valued according to location in the subdivision. It was noted subjects were valued uniformly with other properties in the North end

of the subdivision.

Respondent also provided five (5) bare lot sales from 2006. The lot sizes were not disclosed in the record, but the prices ranged between \$5,300 and \$16,000. The three (3) year sale price range was shown to be between \$2,500 and \$30,000. Subjects' values of \$2,904 are near the bottom of this price range.

The Assessor's values are presumed correct and the Appellant shoulders the burden of proving by a preponderance of the evidence the assessment is erroneous. *Board of County Comm'rs of Ada County v. Sears, Roebuck & Co.*, 74 Idaho 39, 46-47, 256 P.2d 526, 530 (1953). The burden of proof has not been met.

Appellant has alleged detriments in subjects but failed to indicate any effect on value. No sales or other value information was provided, thus leaving only the sales data presented by Respondent for the Board to consider. From the evidence submitted, it appears subjects were valued reasonably and fairly. As such, the decisions of the Bannock County Board of Equalization concerning each of the subject parcels, are affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Bannock County Board of Equalization concerning the subject parcels be, and the same hereby are affirmed.

MAILED APRIL 30, 2008